

State of Arkansas
OFFICE OF STATE PROCUREMENT
1509 West Seventh Street, Room 300 72201-3966
P. O. Box 2940 72203-2940
Little Rock, Arkansas
501-324-9316

STATE CONTRACT AWARD

THIS IS A TERM CONTRACT ISSUED BY THE OFFICE OF STATE PROCUREMENT.
THIS IS NOT AUTHORITY TO SHIP. A SEPARATE PURCHASE ORDER WILL BE
ISSUED. THIS CONTRACT CONSTITUTES ACCEPTANCE OF YOUR BID ALONG
WITH ALL TERMS AND CONDITIONS THEREIN AND SIGNIFIES THE OFFERER'S
KNOWLEDGE AND ACCEPTANCE OF ALL TERMS AND CONDITIONS SET FORTH
WITHIN THE INVITATION FOR BID.

=====

BUYER: Loyce Holloway

CONTRACT/BID NO.: SP-02-0229

=====

DESCRIPTION: Diploma Inserts and Covers

CONTRACT PERIOD: Date of Award through December 31, 2003

=====

CONTRACT VALUE: \$144,495.52

COMMODITY CLASS(ES): N/A

PURCHASE REQUEST NO.: N/A

AGENCY CONTACT/PHONE: As Specified on Purchase Order

DELIVERY REQUIREMENTS: As Specified on Page 6

=====

**PRICES ARE F.O.B. DESTINATION, INSIDE DELIVERY, UNLESS OTHERWISE
SPECIFIED.**

INVOICE TO:
Ordering Agency

DELIVER TO:
As Specified on PO

CONTRACT AWARD TO:
Herff Jones, Inc.
2502 N. State
P.O. Box 707
Iola, KS 66749

CONTACT NAME: Denise Krum
TELEPHONE NO.: 800-635-5670
FAX NO.: 620-365-3627
VENDOR NO.: N/A
FEDERAL I.D. NO.:

STATE OF ARKANSAS OFFICE OF STATE PROCUREMENT

BY: _____

DATE: _____

STATE OF ARKANSAS
CONTRACT AWARD

CONTRACT NO: SP-02-0229

PAGE 2

Section I - Heading and Die Inserts

Orders placed against this Section will be for Diplomas with engraved headings and foil stamped seals only. All other information will be laser printed using in-house equipment.

For all first time orders placed against this section, contractor will be required to supply the ordering agency with approximately 12 sheets of blank diploma stock to test run through agency's laser printer. If the weight of the paper specified on the contract will not accommodate the agency's equipment, vendor may offer (at no extra charge) an equal stock in a weight that will better suit the agency's needs.

1. 8 1/2" x 11"

PRICE PER EACH	\$.48
----------------	--------

SECTION II - COMPLETE PRINTED AND BLANK INSERTS

1. 6" x 8" Complete printed insert

PRICE PER EACH	\$.97
----------------	--------

2. 7" x 9" Complete printed insert

PRICE PER EACH	\$.97
----------------	--------

3. 8 1/2" x 11" Complete printed insert

PRICE PER EACH	\$.97
----------------	--------

4. 8 1/2" x 11" Blank insert

PRICE PER EACH	\$.48
----------------	--------

5. 14" x 11" Complete printed insert

PRICE PER EACH	\$ 2.17
----------------	---------

6. 14" x 17" Complete printed insert

PRICE PER EACH	\$2.17
----------------	--------

7. 14" X 17" Blank insert

PRICE PER EACH	\$ 1.77
----------------	---------

STATE OF ARKANSAS
CONTRACT AWARD

CONTRACT NO: SP-02-0229

PAGE 3

8. 16" X 20" Complete printed insert

PRICE PER EACH	\$ 2.49
----------------	---------

9. 16" x 20" Blank insert

PRICE PER EACH	\$ 1.77
----------------	---------

SECTION III COVERS

COVERS TO FIT THE FOLLOWING SIZES OF INSERTS

1. Cover to Fit a 6" x 8" Insert

PRICE PER EACH	\$ 1.99
----------------	---------

2. Cover to Fit a 7" x 9" Insert

PRICE PER EACH	\$ 1.99
----------------	---------

3. Covers to fit 8 1/2" x 11" Inserts

PRICE PER EACH	\$ 2.38
----------------	---------

4. Covers to fit 11" x 14" Inserts

PRICE PER EACH	\$ 5.18
----------------	---------

SECTION IV DIES/PLATES

Steel Engraved Plates (Plates for new agencies or replacement of current plates) for body of diplomas.

1. Size 6" x 8" up to 8 1/2" x 11" (Steel Engraved Plates)

PRICE PER EACH	\$180.00
----------------	----------

2. Size 11" x 14" (Steel Engraved Plates)

PRICE PER EACH	\$335.00
----------------	----------

3. Size 14" x 17" up to 16" x 20" (Steel Engraved Plates)

PRICE PER EACH	\$355.00
----------------	----------

STATE OF ARKANSAS
CONTRACT AWARD

CONTRACT NO: SP-02-0229

PAGE 4

Steel Engraving Dies used for logos/seals on the diplomas

4. Size 1" up to 1 1/2" (Steel Engraved Die)

PRICE PER EACH	\$125.00
----------------	----------

5. Size 1 3/4" up to 2" (Steel Engraved Die)

PRICE PER EACH	\$150.00
----------------	----------

Dies for foil stamped logos/seals

6. Foil Stamped Dies For Seals (Up to 2" diam.)

PRICE PER EACH	\$ 60.00
----------------	----------

GENERAL TERMS

SCOPE:

The intent of this Invitation for Bid is to establish a term contract to supply diploma covers and inserts (blank & printed) for state agencies and cooperative purchasing program participants. Total price bid covers all of the operations necessary for the production of the items specified including but not limited to paper stock, proofs, printing, packaging and inside delivery.

Under Section I of this contract, the schools will have the option to order diplomas with the headings and a foil stamped seal or logo.

The vendor would be required to supply the agency with approximately 12 sheets of blank diploma stock for test run through their laser printer. If the weight of the paper specified on the contract will not accommodate the agency's laser printer, vendor will be required to supply the school (at no extra charge) an equal stock in the weight that will work on their laser printer.

TERM:

The term of any contract resulting from this Invitation for Bid will be from Date of award through December 31, 2003.

STATE OF ARKANSAS
CONTRACT AWARD

CONTRACT NO: SP-02-0229

PAGE 5

AWARDING INSTRUCTIONS:

Contract will be awarded by grand total price of all sections to the lowest, responsible, responsive bidder. Bid totals will be determined by multiplying all estimated quantities by the price per each and obtaining a grand total for the entire contract. The 10% recycled preference will be applied to the cost of the paper only. Consideration will be given only to those bidders who bid all items of all sections.

SPECIAL DELIVERY INSTRUCTIONS:

Final information will be given to the contractor forty-five (45) working days prior to graduation. Last minute changes must be supplied to the contractor twenty (20) working days prior to graduation. Advance run information from the schools will be given to the contractor no less than (90) working days before graduation including the exact date of graduations, and the approximate number of seniors for the graduating class. All deliveries must be complete at least ten (10) working days prior to graduation dates. "Working days" shall be defined as Monday through Friday of each week exclusive of all official State Holidays.

Inside delivery of items in Section I must be made within 20 working days after receipt of purchase order.

QUALITY:

Items provided under the scope of this contract shall be of excellent quality.

SPECIAL INSTRUCTIONS:

Upon ordering agency's request, contractor shall return all make-ready and spoil sheets with diploma order. All make-ready and spoil sheets must be so marked and must be separated from the rest of the shipment.

SPECIAL PACKAGING:

The diplomas are to be fully assembled and enclosed in open end envelopes of the proper size. Envelopes shall be a minimum weight of 20 lb. stock. The student's name is to be printed on the outside of the envelope as it appears on the insert. The diplomas are to be alphabetized and packed in boxes for shipment. Each box shall indicate the alphabetical order contained in that box.

PERFORMANCE BOND/SURETY:

In order to assure full performance of all obligations imposed on the bidder by the contract with the State, the bidder will be required to post a commercial performance bond or other form of surety acceptable to the State in the amount of 10%_of the bid

STATE OF ARKANSAS
CONTRACT AWARD

CONTRACT NO: SP-02-0229

PAGE 6

amount within 10 working days from award. In extenuating circumstances, an extension may be granted. The award shall be made upon acceptance of the surety by the Office of State Procurement. If a bidder fails to delivery the required surety, his bid shall be rejected, the bid security shall be enforced and award of the contract shall be made to the next lowest bidder. In the event of a breach of contract, either through quality problems, late delivery, substitutions, or other areas within the control of the vendor, the Office of State Procurement may assess reasonable charges against the vendor. Frequent complaints of late deliveries may result in cancellation of the contract. If the vendor fails to deliver the items ordered under his contract without reasonable excuse for such failure, or if the items delivered are not of the quality or standards required by the contract, the Purchasing Official shall notify the vendor of the default. If, after notification of default the vendor is unable to achieve the greatest economy for the State, the Director of State Purchasing, may, at his option choose the next low bid, readvertise for bids, negotiate a purchase or complete any other action consistent with the purchasing laws.

ESTIMATED QUANTITIES:

The quantities set forth in this contract are estimated. The estimates are based where possible upon usage during the previous contract period. Contractor must furnish the quantities requisitioned whether more or less than the estimates.

ORDERS:

All orders placed against this contract will be in the form of a purchase order issued direct to the contractor.

EXTENSION:

This contract will be subject to extension for a period not to exceed the term of the original contract. All extensions must be mutually agreed upon by the Office of State Procurement and the contractor. The Office of State Procurement will notify the contractor if an extension is requested. All prices will remain firm for any agreed upon period of extension.

SUMMARY REPORT:

The contractor is required to submit a summary report of the orders received under this contract on a six month basis. The report will include:

The number of diploma inserts and covers ordered and delivered by line item and any inserts that was requested that did not fit the size listed on the contract.

The number of new engraving dies and plates required by line item.

STATE OF ARKANSAS
CONTRACT AWARD

CONTRACT NO: SP-02-0229

PAGE 7

The number of engraving seals and logs requested (item #5 under additional charges on page 10).

The number of honor seals requested (item #6 under additional charges on page 10).

A summary of any problems the contractor may be having such as delivery, etc.

Report will be due on the following date: July 15, 2002; January 1, 2003; July 15, 2003 and January 15, 2004.

VENDOR CONTACT:

Bidder should fill in the information requested below as to the responsible person who will represent the contractor in all matters related to this contract:

NAME: Denice Krumm

ADDRESS: 2502 N. State
P.O. Box 707
Iloa, KS 66749

PHONE: 800-635-5670

ADDITIONAL CHARGES AND INSTRUCTIONS:

A flat charge of \$10.00, in addition to the cost of the diploma, will be made for diplomas which require the date of graduation to be changed. This is applicable to lost or damaged documents that the Registrar's Office is attempting to replace.

Vendor will be allowed a \$45.00 one time plate charge for schools changing the format of their diploma. The charge will only be allowed if that particular school requests new and or additional school emblem, etc. which requires the making of a new plate. This charge is on plates used for the diploma that are produced using the photo offset method. These are metal plates. The steel engraved plates are to priced as a line item.

Total quantity of diplomas may be produced at the time of initial order. Neither the State nor the Cooperative Purchasing Participants will be under any obligation to pay for any unused diplomas in excess of the number ordered.

A \$10.00 flat charge will be allowed for a signature change.

Agency may request an engraved State Seal or School emblem. Vendor will be allowed a \$.20 charge per each insert for running the seal. The contractor must inform the

STATE OF ARKANSAS
CONTRACT AWARD

CONTRACT NO: SP-02-0229

PAGE 8

Office of State Purchasing when a die has been purchased. Printed inserts without signatures or dates will have a \$.10 charge deducted per each insert.

Agency may request Pressure Sensitive Honor Seals "With Merit", "with High Distinction", "Cum Laude" Magna Cum Laude", etc. Vendor may charge \$.20 per seal.

Air freight may be charged if orders do not reach the contractor in the time frame specified under the contract. A copy of the freight bill must be attached to the invoice.

The State of Arkansas reserves the right to purchase at a price that is comparable with a contract item nearest in size. If an order is issued to the contractor for a size of insert that is not included on the contract, the contractor must notify the Office of State Procurement prior to production.

II ITEM SPECIFICATIONS

DIPLOMA INSERTS:

SIZE:

AS SPECIFIED IN PRICING OF SECTIONS I AND II.

STOCK:

48 lb. Diploma Stock: The stock is to be 100 percent new cotton fiber with a smooth parchment finish and unwatermarked. Color of stock to be natural or white.

Brand Bid CRAINS

VIRGIN _____X_____ RECYCLED_____

PRESSWORK:

The current process (s) being used for production of diplomas includes steel die engraving and photo litho offset. The vendor will be required to print the diplomas with the current plates provided unless the agency requests the process be changed.

Copy and style to be of the school's own selection. Student name, graduation date, graduating course and facsimile signature are to be printed on each insert except for items 1-4 in Section I. The ordering agency will furnish the manufacturer with facsimile signatures upon request. Seals of each school and the State Seal will be foil stamped or engraved on each insert if requested on the purchase order by the ordering agency. All die work is to be genuine steel die engraved to give fullest detail in 3 dimensional relief.

STATE OF ARKANSAS
CONTRACT AWARD

CONTRACT NO: SP-02-0229

PAGE 9

Items #1-#4 (Heading and Die insert) These inserts will contain the name of the school and foil stamped logo or seal of the school. Using their own software programs, the schools will laser print all pertinent information.

PROTECTIVE COVERING:

All diploma inserts are to have a protective covering. The cover is to be of clear acetate of approximately .005 caliper thickness and the exact size of each diploma insert.

DIPLOMA COVERS:

SIZE:

When requisitioned, diploma covers will conform to the following size of inserts.

Approximately 6" x 8".

Finished size 7" x 9".

Finished size 8 1/2" x 11".

Finished size 11" x 14".

COVER:

The cover will consist of two pieces. The cover material will be calf grain leatherette or equal in a color selected by the school. The cover board will consist of approximately .080 warp resistant premium grade Davey board laminated to a top liner of chipboard. None of the padding can be exposed to the cover material. The cover hinge is reinforced by using matching cover material. All corners are to be neatly tucked and formed. The cover padding is to be glued neatly in place. The lining pads must be in line and securely glued. The cover must be neat and taut. All four corners of the cover must coincide when the case is closed. A sharp single line panel is blind embossed 1/4" from the edge of the cover.

The lining of each cover consists of two pads of a taffeta acetate or equal backed with a paper backing. The lower lining consists of four corner pockets to hold the diploma insert and the clear acetate protective covering for the insert. Each school to select the color of the corner ribbons.

STATE OF ARKANSAS
CONTRACT AWARD

CONTRACT NO: SP-02-0229

PAGE 10

STAMPING:

The name of each school, the state seal or the school emblem shall be gold foil stamped on the front cover.

DIES/PLATES (STATE AGENCIES)

Dies/plates used during the previous contract will be furnished. At the end of the contract period, the contractor will be responsible for shipping dies/plates to the new contractor.

The contractor shall furnish an inventory list of all dies and plates noting their condition when shipped to the new contractor. A copy of this list must be furnished to the Office of State Procurement.

In the event dies provided to the contractor by previous vendor are not compatible with contractor's equipment, it will be the contractor's responsibility to produce new dies at no extra charge to the state.

Upon their receipt, the new contractor must confirm in writing the number and condition of all dies and plates.

DIES/PLATES (COOPERATIVE PURCHASING PROGRAM PARTICIPANTS)

If dies/plates are available, Cooperative Purchasing Program Participants will furnish to contractor. If contractor produces a new die/plate for any Cooperative Purchasing Program Participant, the die/plate will become the property of the using department. Contractor may return die/plate with order or if agency requests, contractor may keep die/plate until needed by the using department.

PRESSURE SENSITIVE HONOR SEALS

Honor seals are to be gold foil with a gummed adhesive back. Size of seals are approximately 3/4" x 1".

PROOFS:

Proofs required upon using agency's request.

Charge for author's alterations on blueline proofs, per line \$1.00, to exceed \$5.00, per page.

Both the using agency and the contract holder are responsible for keeping accurate records showing time copy and proofs are mailed and received in order to calculate the final delivery date of the finished product. These records must show the dates proofs

STATE OF ARKANSAS
CONTRACT AWARD

CONTRACT NO: SP-02-0229

PAGE 11

are mailed or delivered to the using agency and the date(s) they are returned. When the proofs are returned to the using agency, the contract holder will provide a proofing document for the agency to sign indicating if corrections are necessary. The document will show the signature of the person reviewing the document, the date it was reviewed, and the necessary corrections to be made, if any. The contractor will not proceed without this signature. The time proofs are out of his plant will not count against production time.

When proofs are submitted to the agency, it will be the agency's responsibility to make the necessary corrections. The notation "AA" (Author's Alterations) or "PE" (Printer's Error) will be made in the margin of the copy along side each correction.

Author's alterations are changes made by the originator after typesetting has been accomplished according to the original manuscript. If the printer makes errors in the setting of composition, the correction of these errors is not chargeable to the agency. The "PE", "AA" designations will identify those charges for which the agency should correctly be billed. Since most manuscripts have substantial changes made during the proofing process, a sizeable amount of money may be involved.

All corrections must be made in blue, non-reproducing pencil.

Send Proofs to: Agency Contact Person

III. MISCELLANEOUS SPECIFICATIONS

MISCELLANEOUS CHARGES/ALLOWANCES:

ALL CHARGES MUST HAVE PRIOR APPROVAL IN WRITING BY THE OFFICE OF STATE PROCUREMENT.

Any other costs incurred in production and not provided for in these instructions and specifications may be invoiced at "fair market" price as established by the Office of State Purchasing. However, any additional costs incurred after contract award will not be used in determining the low bid. These costs may include, but are not limited to, halftones, author alterations, extra compositions, overruns, or any other unforeseen costs.

SAMPLES:

One voided sample diploma on each purchase order issued by a State agency must be sent to the Office of State Procurement.

STATE OF ARKANSAS
CONTRACT AWARD

CONTRACT NO: SP-02-0229

PAGE 12

On all printing jobs for State Agencies, contractors shall provide a minimum of one sample, a copy of the invoices, a copy of any analysis sheet showing how costs were calculated. These items must be sent to the Office of State Procurement. PAYMENT WILL NOT BE MADE UNTIL THE SAMPLES HAVE BEEN EXAMINED FOR CONTRACT CONFORMANCE.

If quality problems are evident, the Office of State Procurement, in coordination with the using agency, will review the problems, and if the specifications of the contract are not met, will assess a penalty for the inferior merchandise. If in the opinion of the Office of State Procurement and the using agency, the merchandise is unacceptable, the Vendor may be offered an opportunity to reprint the material within a reasonable time. At the time authorization for the reprint is given, the Office of State Procurement will establish, in writing, a new delivery date. If final delivery exceeds the original delivery date, the vendor may be charged a late penalty as specified in the contract. Receipt of the merchandise does not necessarily constitute acceptance. The using agency will be granted a reasonable time in which to inspect the merchandise and to determine if its quality meets the requirements or standards of the contract.

SEND SAMPLES TO: Loyce Holloway
Office of State Procurement
P.O. Box 2940
Little Rock, AR 72203

INVOICING:

Invoices must be sent in triplicate, unless otherwise specified by the ordering agency.

PROPERTY OF THE STATE:

All dies, electroplates, cuts, negatives and positives, engravings and artwork or any other commodities used in the production of work under this contract and paid for by the State shall be delivered to the ordering agency upon completion of this contract. All transportation expenses shall be paid by the contractor.

LIQUIDATED DAMAGES OR PENALTY:

All commodities furnished will be subject to inspection and acceptance after delivery. Failure to meet specifications authorizes the Office of State Procurement to cancel this contract or any portion of same and reasonably purchase commodities elsewhere and charge full increase, if any, in cost and handling to the defaulting contractor.

Liquidated damages imposed by the State against the contractor for failure to meet delivery schedule will be one percent (1%) of the invoice amount for each working day beyond the specified delivery time. The contractor shall be relieved of delays due to causes beyond his control such as Acts of God, national emergency, strikes or fire. The

STATE OF ARKANSAS
CONTRACT AWARD

CONTRACT NO: SP-02-0229

PAGE 13

Office of State Procurement will assess penalties for late delivery in all cases except those that relate to causes beyond the contractor's control. The contractor must notify in writing, on a timely basis, the Office of State Procurement of such developments stating reason, justification and extent of delay. Other liquidated damages provided for in this contract must be verified and approved in writing by the Office of State Procurement prior to application by the ordering agency.

When the time does not allow for reprinting or reordering, acceptance of an inferior commodity may result in a liquidated damage of up to 20% of the invoice price or \$500 whichever is smaller.

TERM AWARD TERMS AND CONDITIONS

1. **GENERAL:** All terms and conditions stated in the invitation for bid govern this contract.
2. **PRICES:** Prices are firm and not subject to escalation, unless otherwise specified in the invitation for bid.
3. **DISCOUNTS:** All cash discounts offered will be taken if earned.
4. **TAXES:** Most state agencies must pay state sales tax. Before billing, the contractor should contact the ordering agency to find out if that agency must pay sales tax. Itemize state sales tax when applicable on invoices.
5. **BRAND NAME REFERENCES:** The contractor guarantees that the commodity delivered is the same as specified in the bid.
6. **GUARANTY:** All items delivered are to be newly manufactured, in first- class condition, latest model and design, including, where applicable, containers suitable for shipment and storage unless otherwise indicated in the bid invitation. The contractor guarantees that everything furnished hereunder will be free from defects in design, workmanship, and material; that if sold by drawing, sample or specification, it will conform thereto and will serve the function for which furnished. The contractor further guarantees that if the items furnished hereunder are to be installed by the contractor, such items will function properly when installed. The contractor also guarantees that all applicable laws have been complied with relating to construction, packaging, labeling, and registration. The contractor's obligations under this paragraph shall survive for a period of one year from the date of delivery, unless otherwise specified in the invitation for bid.

STATE OF ARKANSAS
CONTRACT AWARD

CONTRACT NO: SP-02-0229

PAGE 14

7. **AWARD:** This contract award does not authorize shipment. Shipment against this contract is authorized by the receipt of a purchase order from the ordering agency. A written purchase order mailed or otherwise furnished to the contractor results in a binding obligation without further action by either party.

8. **DELIVERY:** The term of the contract is shown on the face of the contract award. The contractor is required to supply the state's needs during this term. The number of days required to place the commodity in the receiving agency's designated location under normal conditions is also shown. Consistent failure to meet delivery without a valid reason may cause removal from the bidders' list or suspension of eligibility for award.

9. **BACK ORDERS OR DELAY IN DELIVERY:** Back orders or failure to deliver within the time required may be default of the contract. The contractor must give written notice to the Office of State Procurement and ordering agency of the reason and the expected delivery date. If the reason is not acceptable, the contractor is in default. The Office of State Procurement has the right to extend delivery if reasons appear valid. If the date is not acceptable, the agency may buy elsewhere.

10. **DELIVERY REQUIREMENTS:** No substitutions or cancellations are permitted without written approval of the Office of State Procurement. Delivery shall be made during agency work hours only, 8:00 a.m. to 4:30 p.m., unless prior approval for other delivery has been obtained from the agency. Packing memoranda shall be enclosed with each shipment.

11. **STORAGE:** The ordering agency is responsible for storage if the contractor delivers within the time required and the agency cannot accept delivery.

12. **DEFAULT:** All commodities furnished will be subject to inspection and acceptance of the ordering agency after delivery. Default in promised delivery or failure to meet specifications authorizes the Office of State Procurement to cancel this contract or any portion of same and reasonably purchase commodities elsewhere and charge full increase, if any, in cost and handling to the defaulting contractor.

13. **VARIATION IN QUANTITY:** The state assumes no liability for commodities produced, processed or shipped in excess of the amount specified herein.

14. **INVOICING:** The contractor shall submit an original and two copies of an itemized invoice showing the bid number and purchase request number when itemized in the invitation for bid. Invoices must be sent to "Invoice to" point shown on the purchase order.

15. **STATE PROPERTY:** Any specifications, drawing, technical information, dies, cuts, negatives, positives, data or any other commodity furnished to the contractor hereunder or in contemplation hereof or developed by the contractor for the use hereunder shall

STATE OF ARKANSAS
CONTRACT AWARD

CONTRACT NO: SP-02-0229

PAGE 15

remain property of the state, be kept confidential, be used only as expressly authorized, and be returned at the contractor's expense to the F.O.B. point, properly identifying what is being returned.

16. **ASSIGNMENT:** This contract is not assignable nor the duties hereunder delegable by either party without the written consent of the other party to the contract.

17. **OTHER REMEDIES:** In addition to the remedies outlined herein, the contractor and the state have the right to pursue any other remedy permitted by law or in equity.

18. **LACK OF FUNDS:** The state may cancel this contract to the extent funds are no longer legally available for expenditures under this contract. Any delivered but unpaid for goods will be returned in normal condition to the contractor by the state. If the state is unable to return the commodities in normal condition and there are no funds legally available to pay for the goods, the contractor may file a claim with the Arkansas Claims Commission. If the contractor has provided services and there are no longer funds legally available to pay for the services, the contractor may file a claim.

19. **QUANTITIES:** The state may order more or less than the estimated quantity in the invitation for bid.

20. **DISCLOSURE:** Failure to make any disclosure required by the Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that order, shall be a material breach of the terms of this contract. Any contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the agency.